

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 5361

IN THE MATTER OF:

Served June 25, 1998

Investigation of Unauthorized)	Case No. MP-98-14
Change of Control, Directed to:)	
ROYAL AIRPORT SHUTTLE, a)	
Partnership, WMATC No. 270, and)	
ROYAL AIRPORT SHUTTLE, INC.)	

Application to Transfer)	Case No. AP-98-21
Certificate No. 270 from ROYAL)	
AIRPORT SHUTTLE, a Partnership, to)	
ROYAL AIRPORT SHUTTLE, INC.)	

On April 7, 1998, in Order No. 5308, the Commission initiated an investigation of respondents -- Royal Airport Shuttle, a partnership doing business as WMATC Carrier No. 270, and Royal Airport Shuttle, Inc., a Maryland corporation -- to determine whether they violated Article XI, Section 11, and/or Article XII, Section 3, of the Compact by transferring assets from the partnership to the corporation without Commission approval. Order No. 5308 allowed respondents thirty days to file an acceptable application or show cause why a civil forfeiture should not be assessed.

Respondents filed an acceptable transfer application on May 7, 1998, seeking Commission approval to transfer substantially all of the partnership assets, including Certificate No. 270, to the corporation. The application indicates that Iraj Roshanian, a general partner and fifty-percent owner in the partnership, will maintain control of Certificate No. 270 as an officer, director and fifty-percent shareholder in the corporation. The application is unopposed.

Under Article XI, Section 11(a), and Article XII, Section 3(a)(ii), of the Compact, the Commission may approve the transfer of assets from the partnership to the corporation, including Certificate No. 270, if the Commission finds the transfer is consistent with the public interest. The public interest analysis normally focuses on the acquiring party's fitness, the resulting competitive balance and the interests of affected employees.¹ Competition is not an issue in this

¹ In re Cavalier Transp. Co., Inc., t/a Tourtime America, Ltd. & Tourtime America Motorcoach, Ltd., No. AP-96-21, Order No. 4926 (Sept. 12, 1996).

case, however, because the transferor is merely reorganizing from a partnership into a corporation.²

Transferee proposes to file transferor's current tariff as its own and commence operations with eight vans.

Transferee filed a balance sheet as of December 31, 1997, showing assets of \$77,732; liabilities of \$40,565; and equity of \$37,167. Transferee's projected operating statement for the first twelve months of WMATC operations shows WMATC operating income of \$400,000; other operating income of \$130,000; expenses of \$432,000; and net income of \$98,000.

Transferee states it will retain all partnership employees.

Transferee certifies it has access to, is familiar with, and will comply with the Compact and the Commission's rules and regulations thereunder.

Based on the evidence in this record, the Commission finds transferee to be fit, willing, and able to perform the proposed transportation properly and to conform with applicable regulatory requirements and, therefore, that the transfer of assets, including Certificate No. 270, to the corporation is consistent with the public interest.

THEREFORE, IT IS ORDERED:

1. That Case No. MP-98-14 and Case No. AP-98-21 are hereby consolidated.

2. That upon transferee's timely compliance with the requirements of this order, Certificate of Authority No. 270 shall be reissued to Royal Airport Shuttle, Inc., 7752 Woodmont Avenue, Suite 201, Bethesda, MD 20814, and Case No. MP-98-14 shall stand terminated.

3. That transferee may not transport passengers for hire between points in the Metropolitan District pursuant to this order unless and until Certificate of Authority No. 270 has been reissued in accordance with the preceding paragraph.

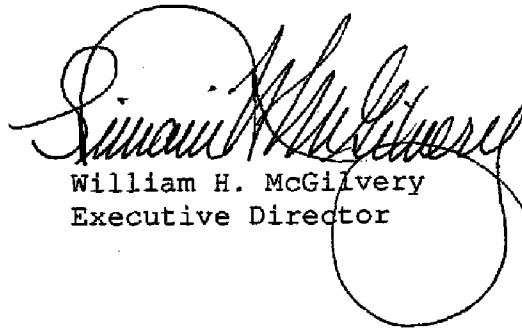
4. That transferee is hereby directed to file the following documents within thirty days: (a) evidence of insurance pursuant to Commission Regulation No. 58 and Order No. 4203; (b) an original and four copies of a tariff or tariffs in accordance with Commission Regulation No. 55; (c) a vehicle list stating the year, make, model, serial number, fleet number, license plate number (with jurisdiction)

² In re V.I.P. Tours & V.I.P. Tours, Inc., No. AP-94-35, Order No. 4392 (Sept. 28, 1994).

and seating capacity of each vehicle to be used in revenue operations; (d) evidence of ownership or a lease as required by Commission Regulation No. 62 for each vehicle to be used in revenue operations; (e) proof of current safety inspection of said vehicle(s) by or on behalf of the United States Department of Transportation, the State of Maryland, the District of Columbia, or the Commonwealth of Virginia; and (f) a notarized affidavit of identification of vehicles pursuant to Commission Regulation No. 61.

5. That upon transferee's failure to timely satisfy the conditions of reissuance prescribed herein, the approval of transfer herein shall be void, the application shall stand denied, and respondents shall have thirty days to pay a civil forfeiture of \$500 and show cause why Certificate of Authority No. 270 should not be revoked.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS ALEXANDER, LIGON, AND MILLER:



William H. McGilvery
Executive Director